

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
EL PASO DIVISION**

**BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., *not in its
individual capacity but solely as OWNER*
TRUSTEE FOR MORTGAGE ASSETS
MANAGEMENT SERIES I TRUST,**

Plaintiff,

V.

JUANA O. CASTILLO,

Defendant.

[illegible]

EP-22-CV-00020-DCG

ORDER STAYING AND ADMINISTRATIVELY CLOSING CASE

On January 10, 2022, Plaintiff Bank of New York Mellon Trust Company, N.A.¹ filed the above-captioned foreclosure suit against Defendant Juana O. Castillo. Compl., ECF No. 1. A few weeks later, however, the Bank moved to abate the case until March 29, 2022. 1st Mot. Abate, ECF No. 8. The Bank explained that the Department of Housing and Urban Development (“HUD”) had issued an “At-Risk Extension Hold” barring the Bank from prosecuting this foreclosure proceeding until March 29, 2022. *Id.* at 1. The Court accordingly stayed the case until that date and ordered the Bank to file a status update after the stay lifted. 1st Stay Order, ECF No. 9.

The Bank duly filed a status report on March 30, 2022 informing the Court that the At-Risk Extension Hold had expired, and that the Bank could resume prosecuting the case. 1st Status Report, ECF No. 11.

¹ The Bank appears “not in its individual capacity[,] but solely as Owner Trustee for Mortgage Assets Management Series I Trust.” Compl. at 1.

Castillo's deadline to respond to the Bank's Complaint elapsed shortly thereafter. *See* FED. R. CIV. P. 12(a); 1st Stay Order (tolling "Castillo's deadline to file an answer or otherwise respond to Plaintiff's complaint" while the stay remained in effect). Because Castillo had not answered the Complaint, moved to dismiss the case, or otherwise appeared in the case, the Bank asked the Clerk to enter a default against Castillo and asked the Court to enter a default judgment. Mot. Default, ECF No. 12; Mot. Default J., ECF No. 13.

Before the Court could rule on those motions, however, the Bank filed a second motion to abate the case. 2d Mot. Abate, ECF No. 14. The Bank explained that, on May 4, 2022, HUD approved Castillo's loan for another At-Risk Extension Hold. *Id.* at 1. The Bank also informed the Court that Castillo had expressed a desire to "reinstate" the loan—that is, make the payments necessary to bring the loan current. *Id.* The Bank thus asked the Court to stay the case for another 90 days. *Id.* Accordingly, the Court stayed the case until August 4, 2022 and ordered the Bank to file another status update on August 8, 2022. 2d Stay Order, ECF No. 15.

The Bank's August 8, 2022 status report discloses that "HUD has continued to place [the Bank]'s foreclosure rights on hold." 2d Status Report, ECF No. 16. The status report does not specify when HUD will lift the At-Risk Extension Hold and allow the Bank to resume prosecuting this case. *Id.* at 1. The Bank also states that it sent Castillo's representative a statement showing how much money Castillo would need to pay to reinstate her loan, but Castillo has not yet paid the necessary funds. *Id.*

Given the uncertainty regarding when (if ever) the Bank will be able to prosecute this case, the Court *sua sponte* **STAYS** this case **INDEFINITELY**. The Court **DIRECTS** the Clerk of Court to **ADMINISTRATIVELY CLOSE** the case. The Bank may move to reopen the case if HUD ultimately lifts the At-Risk Extension Hold and permits the Bank to pursue its

foreclosure remedies. Either party may move to reopen and dismiss the case in the event Castillo reinstates her loan to prevent foreclosure.

The Court **DENIES** the Bank's "Request for Clerk's Entry of Default" (ECF No. 12) and "Motion for Default Judgment Against Defendant and Brief in Support Thereof" (ECF No. 13) **WITHOUT PREJUDICE**.

The Court **DIRECTS** the Clerk to forward a copy of this Order to the following address:

Juana O. Castillo
4831 Betts Drive
El Paso, TX 79938

So **ORDERED** and **SIGNED** this 10th day of August 2022.

A handwritten signature in black ink, appearing to read "David C. Guaderrama", written over a horizontal line.

DAVID C. GUADERRAMA
UNITED STATES DISTRICT JUDGE